

U. S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

December 23, 1954

Alcohol and Tobacco Tax Division
Industry Circular No. 54-33

Cigarette Papers and Tubes
Procedure for the Interim from January 1, 1955
Until the Effective Date of Regulations to be
Prescribed Under the Internal Revenue Code of 1954

Manufacturers and importers of
cigarette papers and tubes:

1. The purpose of this industry circular is to notify you that new regulations to implement Chapter 52 of the Internal Revenue Code of 1954, as it relates to manufacturers and importers of cigarette papers and tubes, will not become effective on January 1, 1955.

2. Until the new regulations become effective, pursuant to Section 7807(a) of the 1954 Code the applicable provisions of existing Regulations 8, 73, and 76, which are not inconsistent with the 1954 Code, will continue in effect until the new and superseding regulations become effective. You will continue to use all forms required by such provisions of existing regulations and procedures.

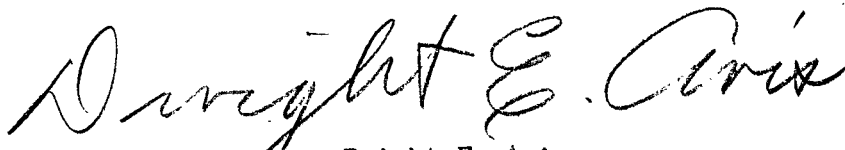
3. Section 5701(d) and (e) of the Internal Revenue Code of 1954, which imposes taxes on cigarette papers and tubes, becomes effective January 1, 1955. Under these provisions of the Code, cigarette papers and tubes which measure more than 6 1/2 inches in length are taxable at the rates prescribed, counting each 2 3/4 inches, or fraction thereof, of the length of each paper or tube as one cigarette paper or cigarette tube.

4. Section 5705 of the 1954 Code, providing for refund or allowance of tax, becomes effective January 1, 1955. Under this section of the Code, taxes paid on cigarette papers and tubes may be refunded, where such articles are withdrawn from the market; or the articles are lost (otherwise than by theft) or destroyed, by fire, casualty, or act of God, while in the possession or ownership of the manufacturer or importer; or where the tax on cigarette papers or tubes has been paid in error by the manufacturer or importer thereof. This section also provides that if tax has not yet been paid on cigarette papers and tubes so lost or destroyed, relief from such tax may be extended.

Industry Circular No. 54-33

5. Although the permit provisions of Chapter 52 of the new Code with respect to manufacturers of cigarette papers and tubes will become effective January 1, 1955, applications for permits by persons operating as such manufacturers on January 1, 1955, will not be required to be filed pending the effective date of the new regulations implementing the Code.

6. Inquiries in regard to this industry circular, and any inquiries regarding your operations on and after January 1, 1955, pending the effective date of new regulations, should be directed to the Assistant Regional Commissioner, Alcohol and Tobacco Tax.


Dwight E. Avis
Director, Alcohol and Tobacco Tax Division

IRS-6034